

Senate Standing Committee on Education and Employment

QUESTIONS ON NOTICE Budget Estimates 2015 - 2016

Outcome 2 - Workplace Relations and Economic Strategy

Department of Employment Question No. EMSQ15-000143

Senator Collins asked on 01 June 2015 on proof Hansard page 128

Question

Fair Work system

Senator JACINTA COLLINS: Perhaps you could give me on notice the last three year-to-year quarters, because that might help inform us a bit from this 2008 to 2014 figure and where the trending is going towards something like a three per cent. Obviously the concern is that we do not want to go to the 04-08 figure of 1.2 per cent which, amusingly, was informed by the productivity and measures associated with Work Choices. This government, and certainly the opposition, is very concerned about a return to policies that would assist productivity in the way Work Choices was touted it would. It is obvious, if you look in retrospect at the figures that Dr Morehead gave us, that it did not. Hopefully this government has learnt that lesson. But I would like to see the quarter-to-quarter trend data leading up to the figure that Senator O'Neill has identified to see how far off track we potentially are.
Dr Morehead: We can provide that on notice.

Answer

Table 1 presents data on annual labour productivity growth over the past three years.

Productivity data are volatile, cyclical and subject to revision (see EMSQ15-000140 for a graph showing productivity data over the last twenty years). Productivity data over short time periods, such as a year, should be interpreted with caution. The Australian Bureau of Statistics presents productivity data over growth cycles, which minimise some of the measurement issues that arise due to the business cycle.

Table 1: Annual labour productivity growth (%), 2012-2015

Quarter	Annual growth (%)
Mar-2012	4.3
Jun-2012	4.5
Sep-2012	4.3
Dec-2012	4.0
Mar-2013	3.4
Jun-2013	2.5
Sep-2013	2.0
Dec-2013	2.0
Mar-2014	2.2
Jun-2014	2.0
Sep-2014	1.1
Dec-2014	0.3
Mar-2015	-0.2

Source: ABS, *Australian National Accounts: National Income, Expenditure, and Product, March 2015*, Cat. No. 5206.0.

Note: Trend data for labour productivity in the market sector.

How to read: This table shows annual growth in labour productivity. The first row shows that through the year to the March quarter 2012, labour productivity grew by 4.3 per cent.